

July 7, 2006

**MEMORANDUM**

**TO: Charlie Cortelyou, Olympic Region Manager**

**FROM: Lenny Young, Forest Practices Division Manager**

**SUBJECT: Olympic Region Cycle 1 (Operations) Forest Practices Field Audit - Final Report**

Attached please find the final report for our recently completed Olympic Region cycle 1 (operations) Forest Practices field audit. This is the same report that I e-mailed to you on June 12. Thank you for setting a positive tone that facilitated the audit team's work. The team appreciated the openness and candor with which the Olympic Region Forest Practices staff shared information and opinions. I also appreciate the discussion that you, Mark Johnsen, Gary Graves, and I had on April 28, at Lake Quinault, to identify follow-up actions that would be beneficial to correct problems identified through the audit.

Some needed improvements may not be apparent until the cycle 1 audits are completed in all regions. However, the Olympic audit revealed some problems that need to be corrected right away. These are as follows.

1. Many Forest Practices Applications (FPAs) are incomplete when approved. Sixteen of 20 randomly sampled FPAs (80%) were incomplete when approved. The audit team concluded that the Forest Practices office staff does not understand what information is needed in a complete application. This is a serious problem; complete FPAs provide the foundation for responsible administration of the Forest Practices Rules.
2. Documentation is currently inadequate for all aspects of program delivery. Lack of documentation may be obscuring other, more serious problems. Please ensure that your staff appreciates the importance of documenting activities and decisions, and that all necessary documentation takes place. Areas where documentation is not adequate include:
  - a. documentation supporting FPA classification decisions;
  - b. documentation of field visits to review FPAs: pre-approval, post-approval, and close-out;
  - c. documentation of Interdisciplinary Team (ID Team) visits;

- d. documentation that required landowner-tribe meetings have taken place;
- e. documentation that work in road maintenance and abandonment plans is scheduled in an even-flow manner;
- f. documentation that Notices to Comply and Stop Work Orders were preceded by Informal Conferences; and
- g. documentation that work directed in DNR enforcement orders was completed as ordered.

In all of these areas, lack of documentation makes it impossible to determine whether the appropriate action was taken, but the documentation is missing, no action was taken at all, or the action was incorrect.

3. The audit team examined all 8 FPAs approved during 2005 that involved cultural resources. There is no record that the required meeting between the landowner and the affected tribe(s) had taken place before any of these applications was approved. It is impossible to tell whether these required meetings took place but were not documented, or the meetings never took place. An application that involves cultural resources cannot be approved unless the region has confirmed that the required meeting has taken place.

4. Many FPAs are not conditioned appropriately. Ten of 20 randomly selected applications (50%) were not appropriately conditioned. These included an FPA that was conditioned out of a IV-Special classification and another FPA that was conditioned to permit more activities than the applicant had proposed.

5. The Forest Practices Coordinator currently only reviews Class IV-Special and Class IV-General FPAs, as well as Class III applications where the office staff has a specific question. The coordinator should personally review any Class III FPA that requires the exercise of professional judgment, and make any such decisions.

6. The Forest Practices staff is not implementing or enforcing the provision of WAC 222-30-021(1)(a) that requires "any trees cut for or damaged by yarding corridors in the core zone must be left on the site." Please ensure that the Forest Practices staff immediately implements and begins to enforce this requirement.

7. Some foresters take enforcement action only when they determine that public resources have been damaged, or damage is likely to occur. Please ensure that appropriate enforcement action is taken whenever there is a violation of the Forest Practices Rules. Whether public resources have been damaged, or there is the potential for damage, should be considered in determining what enforcement action to take, not whether to take enforcement action. I am not directing harsher treatment of violations; rather, I am directing that all violations be recorded and that enforcement action appropriate to the situation be taken.

8. There are barriers to the flow of guidance and information from the Assistant Region Manager for Resource Protection & Services, through the Forest Practices District Manager, to the Forest Practices staff. I encourage you and Mark to continue your efforts to improve communications and ensure that information is freely and constantly shared with the Forest Practices staff by region and program management.

9. Roles of the Forest Practices District Manager and the Forest Practices Coordinator have become muddled. The Forest Practices Coordinator spends considerable time in the field, attempting to provide guidance and problem solving for the Forest Practices foresters. This likely is contributing to application processing and documentation problems noted above. In contrast, the district manager spends relatively little time in the field. I believe that re-aligning the roles of the district manager and the coordinator is essential to correct the problems noted above. The coordinator should be focused on office operations, i.e., application processing. The district manager should have a strong field presence and be the foresters' primary source of guidance for rule implementation and compliance/enforcement. The district manager should follow guidance in the program enforcement handbook, to ensure that appropriate enforcement is taken for each situation that is consistent with action taken in other parts of the state.

These are the operational issues that I feel require the most immediate attention. The report identifies several other issues related to weak or inconsistent awareness of program procedures; please consider how best to correct these shortcomings.

On the positive side, I was impressed by the audit finding that most forest landowners in Olympic Region are locating perennial initiation points in the field, rather than relying upon default basin size. This finding is impressive given tendencies we have observed elsewhere.

#### Special Follow-up Actions

The problems noted above require some follow-up actions that go beyond normal, daily efforts to improve performance. As we discussed and agreed at Lake Quinault, Olympic Region and Forest Practices Division will take the following actions.

1. With support from Forest Practices Division, Olympic Region will arrange structured mentoring for its Forest Practices Coordinator. Olympic's coordinator will travel to another region for a 1 to 2 week period, to observe how that region's coordinator approaches and accomplishes her/his responsibilities. After Olympic's coordinator has returned to Olympic and had the opportunity to apply learnings gained, the other region's coordinator will travel to Olympic to observe how Olympic's coordinator is performing, and answer any questions that may have arisen in the interim. Following this initial exchange, the other region's coordinator will continue to serve as a coach and mentor for Olympic's coordinator, on an as-needed basis. Expected performance improvements include: all FPAs are complete when approved, required

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meetings between landowners and tribes are documented before FPAs are approved, FPA files contain all necessary documentation, the coordinator reviews all FPAs that require the exercise of professional judgment and makes related decisions, and the coordinator's attention is refocused on office operations.

2. Olympic Region will continue ongoing efforts to clarify roles and responsibilities, and strengthen communications among the Assistant Manager for Resource Protection and Services, the Forest Practices District Manager, the Forest Practices Coordinator, and the rest of the Forest Practices staff.

3. Forest Practices Division will repeat portions of the Olympic Region cycle 1 audit in early 2007, to determine whether needed improvements in program delivery have been made. The re-audit will sample FPAs and other documents processed between August 1, 2006 and December 31, 2006, to see whether problems identified in the first cycle 1 audit have been corrected after they were brought to the attention of region management and the Forest Practices staff. Only the document inspection portions of the cycle 1 audit will be repeated; the re-audit will not include new interviews.

I appreciate the attention that you and Mark Johnsen are already giving to the audit results, and especially thank you for promptly implementing structured mentoring for your Forest Practices Coordinator, as outlined above, based on our discussion at Lake Quinault. While the problems uncovered by this audit are significant, they are eminently solvable. I am confident they can be corrected through a combination of strong leadership; excellent communications; clear roles, responsibilities, and expectations; careful attention to detail; and thorough documentation.

Please let me know how Forest Practices Division can help you make needed improvements in program delivery. I will do my best to ensure that Olympic Region has the resources and support it needs to succeed.

Attachment

c: Pat McElroy, Executive Director of Regulatory Programs  
Vicki Christiansen, Region Operations Coordinator  
Region Managers  
Gary Graves, Forest Practices Assistant Division Manager for Operations  
Mark Johnsen, Olympic Region Assistant Region Manager for Resource Protection & Services  
Olympic Region Cycle 1 Field Audit Team